

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

**COVER SHEET FOR FIRST AND FINAL FEE APPLICATION OF
PACHULSKI STANG ZIEHL & JONES LLP FOR ALLOWANCE
OF COMPENSATION FOR PROFESSIONAL SERVICES
RENDERED AND REIMBURSEMENT OF ACTUAL AND
NECESSARY EXPENSES INCURRED AS COUNSEL FOR THE
OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR
THE PERIOD FROM MAY 8, 2023 THROUGH SEPTEMBER 29, 2023**

IN RE: BED BATH & BEYOND INC., et al.

APPLICANT: Pachulski Stang Ziehl & Jones LLP

CASE NO.: 23-13359 (VFP)

CLIENT: Official Committee of Unsecured Creditors

CHAPTER: 11

CASE FILED: April 23, 2023

COMPLETION AND SIGNING OF THIS FORM CONSTITUTES A CERTIFICATION
UNDER PENALTY OF PERJURY PURSUANT TO 28 U.S.C. § 1746.

RETENTION ORDER ATTACHED.

/s/Bradford J. Sandler

Bradford J. Sandler

11/13/2023

Date

**SECTION I
FEE SUMMARY**

Interim Fee Application No. or Final Fee Application

	<u>FEES</u>	<u>EXPENSES</u>
Total Fees Requested in this Application for the Final Application Period (May 8, 2023 through September 29, 2023):	\$2,638,974.00 ¹	\$20,313.79
Total Fees Requested in Prior Interim Fee Applications:	N/A	N/A
Total Retainer (If Applicable):	N/A	N/A
Total Holdback to Date in Prior Fee Applications (If Applicable):	N/A	N/A
Total Received By Applicant to Date:	\$1,703,769.80	\$11,315.15

¹ This amount is inclusive of \$15,000 estimated for future billing in connection with the preparation, prosecution and review of final fee applications.

SECTION II - SUMMARY OF SERVICES

**TIMEKEEPER SUMMARY FOR THE PERIOD OF
MAY 8, 2023 THROUGH SEPTEMBER 29, 2023
(THE "FINAL APPLICATION PERIOD"")**

NAME OF PROFESSIONAL	YEAR ADMITTED	TITLE/DEPARTMENT	HOURS	RATE	Fee
Pachulski, Isaac M.	1974	Partner / Bankruptcy	16.70	\$1,995.00	\$33,316.50
Feinstein, Robert J.	1982	Partner / Bankruptcy	173.10	\$1,695.00	\$293,404.50
Feinstein, Robert J. (travel rate)	1982	Partner / Bankruptcy	2.00	\$847.50	\$1,695.00
Kornfeld, Alan J.	1987	Partner / Bankruptcy	80.50	\$1,675.00	\$134,837.50
Sandler, Bradford J.	1996	Partner / Bankruptcy	440.20	\$1,595.00	\$702,119.00
Sandler, Bradford J. (travel rate)	1996	Partner / Bankruptcy	12.50	\$797.50	\$9,968.75
Brown, Kenneth H.	1981	Partner / Bankruptcy	13.40	\$1,525.00	\$20,435.00
Cantor, Linda F.	1988	Partner / Bankruptcy	19.10	\$1,450.00	\$27,695.00
Litvak, Maxim B.	1997	Partner / Bankruptcy	56.20	\$1,445.00	\$81,209.00
Nasatir, Iain A. W.	1983	Partner / Bankruptcy	20.70	\$1,395.00	\$28,876.50
Walker, Jim W.	1985	Partner / Bankruptcy	9.30	\$1,395.00	\$15,577.50
Glazer, Gabriel I.	2006	Partner / Bankruptcy	36.50	\$1,325.00	\$48,362.50
Labov, Paul J.	2002	Partner / Bankruptcy	184.80	\$1,295.00	\$235,819.50
Labov, Paul J. (travel rate)	2002	Partner / Bankruptcy	17.30	\$647.50	\$11,201.75
Pagay, Malhar S.	1997	Partner / Bankruptcy	65.70	\$1,295.00	\$85,081.50
Cho, Shirley S.	1997	Partner / Bankruptcy	2.40	\$1,275.00	\$3,060.00
Fried, Joshua M.	1996	Partner / Bankruptcy	9.20	\$1,275.00	\$11,730.00
Gruber, Richard J.	1982	Counsel / Bankruptcy	4.00	\$1,525.00	\$6,100.00
Dine, Jeffrey M.	1996	Counsel / Bankruptcy	2.40	\$1,395.00	\$3,348.00
Goldich, Stanley E.	1980	Counsel / Bankruptcy	8.40	\$1,395.00	\$11,718.00
Parker, Daryl G.	1970	Counsel / Bankruptcy	0.70	\$1,350.00	\$945.00
Levine, Beth E.	1993	Counsel / Bankruptcy	176.80	\$1,095.00	\$193,596.00
Robinson, Colin R.	2001	Counsel / Bankruptcy	216.70	\$1,095.00	\$232,906.50

Robinson, Colin R. (travel rate)	2001	Counsel / Bankruptcy	10.80	\$547.50	\$5,913.00
Wagner, Elissa A.	2019	Counsel / Bankruptcy	56.70	\$1,095.00	\$62,086.50
Flanagan, Tavi C.	1993	Counsel / Bankruptcy	155.60	\$1,075.00	\$167,270.00
Brandt, Gina F.	1976	Counsel / Bankruptcy	1.20	\$1,050.00	\$1,260.00
Mackle, Cia H.	2006	Counsel / Bankruptcy	73.70	\$925.00	\$68,172.50
Corma, Edward A.	2018	Associate/ Bankruptcy	86.60	\$725.00	\$62,785.00
Forrester, Leslie A.	N/A	Law Library Director	3.10	\$595.00	\$1,844.50
Canty, La Asia S.	N/A	Paralegal / Bankruptcy	112.50	\$545.00	\$61,312.50
Dassa, Beth D.	N/A	Paralegal / Bankruptcy	0.10	\$545.00	\$54.50
Jeffries, Patricia J.	N/A	Paralegal / Bankruptcy	0.50	\$545.00	\$272.50
Total Fees			2,069.40		\$2,623,974.00
Blended Rate for Attorneys				\$1,310.92	
Blended Rate for All Timekeepers				\$1,267.99	

SERVICES RENDERED	HOURS	Fee
Asset Analysis and Recovery	99.70	\$115,995.50
Asset Disposition	160.90	\$221,504.50
Avoidance Action Analysis	1.10	\$1,754.50
Bankruptcy Litigation	248.50	\$287,071.50
Case Administration	105.10	\$95,298.50
Claims Administration and Objections	47.20	\$66,945.00
Compensation of Professional/Others	9.10	\$10,188.50
Contract and Lease Matters	6.30	\$9,292.50
Financial Filings	21.20	\$18,708.00
Financing/Cash Collateral/Cash Management	646.10	\$883,397.50
First Day	42.30	\$48,245.00
General Creditors Committee	132.20	\$150,568.00
Hearings	75.60	\$98,705.00
Insurance Issues/ Insurance Coverage	30.10	\$42,998.50
Litigation (Non-Bankruptcy)	3.80	\$5,409.50
Meeting of Creditors	2.70	\$2,956.50
Operations	95.00	\$126,074.50
PSZJ Compensation	27.90	\$19,984.50
PSZJ Retention	9.10	\$7,872.50
Plan & Disclosure Statement	204.60	\$318,077.50
Retention of Professionals / Other	35.50	\$43,828.50
Stay Litigation	3.50	\$5,112.50
Tax Issues	5.90	\$7,330.50
Travel	56.00	\$36,655.00
TOTAL:	\$2,069.40	\$2,623,974.00

SECTION III - SUMMARY OF DISBURSEMENTS

SUMMARY OF DISBURSEMENTS FOR THE FINAL APPLICATION PERIOD

DISBURSEMENTS	AMOUNT
Air Fare	\$1,264.80
Auto Travel Expense	\$1,983.71
Bloomberg	\$91.10
Conference Call	\$14.85
Federal Express	\$151.43
Lexis/Nexis- Legal Research	\$965.91
Litigation Support Vendors / Outside Services	\$2,021.87
Miscellaneous	\$3,388.35
Out of Town Travel	\$652.00
Pacer - Court Research	\$350.46
Postage	\$1,154.76
Reproduction Expense	\$2,298.60
Reproduction/ Scan Copy	\$2,302.60
Transcript	\$757.86
Travel Expense	\$2,743.95
Working Meals	\$171.54
TOTAL DISBURSEMENTS	\$20,313.79

**SECTION IV
CASE HISTORY**

- (1) Date cases filed: April 23, 2023
- (2) Chapter under which cases commenced: Chapter 11
- (3) Date of Retention: Order entered June 16, 2023, *nunc pro tunc* to May 8, 2023
- (4) Summarize in brief the benefits to the estate and attach supplements as needed:

Please see attached.

COMPLETION AND SIGNING OF THIS FORM CONSTITUTES A CERTIFICATION
UNDER PENALTY OF PERJURY PURSUANT TO 28 U.S.C. § 1746.

RETENTION ORDER ATTACHED

Dated: November 13, 2023

/s/ Bradford J. Sandler

Bradford J. Sandler

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

Caption in Compliance with D.N.J. LBR 9004-1(b)

Robert J. Feinstein

Bradford J. Sandler

Paul J. Labov

Colin R. Robinson

PACHULSKI STANG ZIEHL & JONES LLP

780 Third Avenue, 34th Floor

New York, NY 10017

Telephone: (212) 561-7700

Facsimile: (212) 561-7777

rfeinstein@pszjlaw.com

bsandler@pszjlaw.com

plabov@pszjlaw.com

crobinson@pszjlaw.com

Counsel for the Official Committee of Unsecured Creditors

In re:

BED BATH & BEYOND INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 23-13359 (VFP)

(Jointly Administered)

**FIRST AND FINAL FEE APPLICATION OF
PACHULSKI STANG ZIEHL & JONES LLP FOR
ALLOWANCE OF COMPENSATION FOR PROFESSIONAL
SERVICES RENDERED AND REIMBURSEMENT OF ACTUAL
AND NECESSARY EXPENSES INCURRED AS COUNSEL
FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS
FOR THE PERIOD FROM MAY 8, 2023 THROUGH SEPTEMBER 29, 2023**

Pachulski Stang Ziehl & Jones LLP (“PSZJ”), attorneys for the Official Committee of Unsecured Creditors (the “Committee”) of the above-captioned debtors and debtors in possession (the “Debtors”), hereby submits its first and final application (the “Application”) for

¹ The last four digits of Debtor Bed Bath & Beyond Inc.’s tax identification number are 0488. A complete list of the Debtors in these chapter 11 cases and each such Debtor’s tax identification number may be obtained on the website of the Debtor’s proposed claims and noticing agent at <https://restructuring.ra.kroll.com/bbby>.

the period from May 8, 2023 through the September 29, 2023 (the “Final Application Period”) in accordance with (a) the Court’s *Administrative Fee Order Establishing Procedures for the Allowance and Payment of Interim Compensation and Reimbursement of Expenses of Professionals Retained by Order of this Court* entered on May 17, 2023 [Docket No. 377] (the “Administrative Order”) and (b) the *United States Trustee’s Appendix B Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330* (the “Appendix B Guidelines”). In support of the Application, PSZJ submits the declaration of Bradford J. Sandler (the “Sandler Declaration”) attached hereto as **Exhibit A** and incorporated herein by reference. In further support of the Application, PSZJ respectfully states as follows:

PRELIMINARY STATEMENT

1. PSZJ requests: (a) final allowance and payment of compensation in the amount of \$2,623,974.00 for fees on account of reasonable and necessary professional services rendered to the Committee by PSZJ and reimbursement of actual and necessary costs and expenses in the amount of \$20,313.79 for the Final Application Period; (b) compensation in the estimated amount of \$15,000.00 for future billing in connection with the preparation, prosecution and review of final fee applications; and (c) payment of any unpaid portion of all such allowed fees and expenses.

JURISDICTION AND BASIS FOR RELIEF

2. The United States Bankruptcy Court for the District of New Jersey (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

3. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The bases for the relief requested herein are sections 330 and 331 of title 11

of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), D.N.J. LBR 2016-1 (the “Local Rules”), the Appendix B Guidelines, and the Administrative Order.

BACKGROUND

5. On April 23, 2023 (the “Petition Date”), each Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors are operating their business and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these Cases.

6. On or about May 5, 2023, the United States Trustee for Region 3 (the “U.S. Trustee”) appointed the Committee to represent the interests of all unsecured creditors in these Cases pursuant to section 1102 of the Bankruptcy Code. The members appointed to the Committee were: (i) Ryder Integrated Logistics, Inc.; (ii) The Bank of New York Mellon, as Indenture Trustee; (iii) Intersoft Data Labs Inc; (iv) KDM P.O.P. Solutions Group; (v) Shark Ninja Operating LLC; (vi) Lenox Corporation; and (vii) SITE Centers Corp. See *Notice of Appointment of Official Committee of Unsecured Creditors* [Docket No. 218].

7. On May 17, 2023, the Court entered the Administrative Order, which sets forth the procedures for interim compensation and reimbursement of expenses for all retained professionals in these cases.

A. PSZJ Retention

8. On June 8, 2023, the Committee filed the *Application of the Official Committee of Unsecured Creditors for Order, Pursuant to 11 U.S.C §§ 328 and 1103, Fed. R. Bankr. P. 2014, and Local Rule 2014-1, Authorizing and Approving the Employment and Retention of Pachulski Stang Ziehl & Jones LLP as Counsel to the Official Committee of Unsecured Creditors, Effective as of May 8, 2023* [Docket No. 660].

9. On June 16, 2023, the Court entered the *Order Authorizing and Approving the Retention of Pachulski Stang Ziehl & Jones LLP as Counsel to the Official Committee of Unsecured Creditors Effective as of May 8, 2023* (the “Retention Order”) [Docket No. 754]. The Retention Order authorized PSZJ to be compensated on an hourly basis and to be reimbursed for actual and necessary out-of-pocket expenses. A true and correct copy of the Retention Order is attached hereto as **Exhibit B**.

B. Monthly Fee Statements for the Final Application Period

10. The monthly fee statements (the “Monthly Fee Statements”) for the periods May 8, 2023 through August 31, 2023 of PSZJ have been filed and served pursuant to the Administrative Order.

11. On June 30, 2023, PSZJ filed its *First Monthly Fee Statement of Pachulski Stang Ziehl & Jones LLP for the Period of May 8, 2023 Through May 31, 2023* [Docket No. 1158] (the “First Monthly Fee Statement”) requesting \$1,085,828.50 in fees and \$1,350.82 in expenses, for a total of \$1,087,179.32. A Certificate of No Objection with respect to the First Monthly Fee Statement was filed on July 17, 2023 [Docket No. 1390]. To date, PSZJ has received payment with respect to the First Monthly Statement in the amount of \$870,013.62, representing 80% of the fees and 100% of the expenses incurred in connection with the First Monthly Fee Statement. A true and correct copy of the First Monthly Fee Statement is attached hereto as **Exhibit C-1**.

12. On July 31, 2023, PSZJ filed its *Second Monthly Fee Statement of Pachulski Stang Ziehl & Jones LLP for the Period of June 1, 2023 Through June 30, 2023* [Docket No. 1682] (the “Second Monthly Fee Statement”) requesting \$607,670.25 in fees and \$ 3,018.04 in expenses, for a total of \$610,688.29. A Certificate of No Objection with respect to the Second Monthly Fee Statement was filed on August 16, 2023 [Docket No. 1898]. To date, PSZJ has received payment with respect to the Second Monthly Statement in the amount of \$489,154.24, representing 80% of

the fees and 100% of the expenses incurred in connection with the Second Monthly Statement. A true and correct copy of the Second Monthly Fee Statement is attached hereto as **Exhibit C-2**.

13. On August 30, 2023, PSZJ filed its *Third Monthly Fee Statement of Pachulski Stang Ziehl & Jones LLP for the Period of July 1, 2023 Through July 31, 2023* [Docket No. 2095] (the “Third Monthly Fee Statement”) requesting \$436,213.50 in fees and \$ 6,946.29 in expenses, for a total of \$443,159.79. A Certificate of No Objection with respect to the Third Monthly Fee Statement was filed on September 14, 2023 [Docket No. 2173]. To date, PSZJ has received payment with respect to the Third Monthly Statement in the amount of \$355,917.09, representing 80% of the fees and 100% of the expenses incurred in connection with the Third Monthly Statement. A true and correct copy of the Third Monthly Fee Statement is attached hereto as **Exhibit C-3**.

14. On August 25, 2023, PSZJ filed its *Fourth Monthly Fee Statement of Pachulski Stang Ziehl & Jones LLP for the Period of August 1, 2023 Through August 31, 2023* [Docket No. 2398] (the “Fourth Monthly Fee Statement”) requesting \$288,332.50 in fees and \$5,972.40 in expenses, for a total of \$294,304.90. A Certificate of No Objection with respect to the Fourth Monthly Fee Statement was filed on October 17, 2023 [Docket No. 2486]. To date, PSZJ has not received payment with respect to the Fourth Monthly Statement. A true and correct copy of the Fourth Monthly Fee Statement is attached hereto as **Exhibit C-4**.

C. Stub Period of September 1, 2023 through September 29, 2023

15. Attached hereto as **Exhibit C-5** is a true and correct copy of the detailed time descriptions in accordance with the UST Guidelines, organized by project codes, and summarized in **Exhibit D** for the period of September 1, 2023 through September 29, 2023 (the “Stub Period”)²,

² Time records for the Stub Period have not been previously submitted as a monthly application; however, they are included herein as **Exhibit C-5**.

for which no Monthly Fee Statement was submitted, consisting of fees in the amount of \$205,929.25 and expenses in the amount of \$3,026.24.

STATEMENT OF SERVICES RENDERED AND TIME EXPENDED

16. The Firm has classified all services performed for which compensation is sought for this period into one of several major categories. The Firm attempted to place the services performed in the category that best relates to the service provided. However, because certain services may relate to one or more categories, services pertaining to one category may in fact be included in another category.

17. **Exhibit D** sets forth a timekeeper summary that includes the respective names, positions, department, bar admissions, hourly billing rates and aggregate hours spent by each PSZJ professional and paraprofessional that provided services to the Committee during the Final Application Period. The rates charged by PSZJ for services rendered to the Committee are the same rates that PSZJ charges generally for professional services rendered to its non-bankruptcy clients.

18. **Exhibit E** sets forth a task code summary that includes the aggregate hours per task code spent by PSZJ professionals and paraprofessionals in rendering services to the Committee during the Final Application Period.

19. **Exhibit F** sets forth a disbursement summary that includes the aggregate expenses, organized by general disbursement categories, incurred by PSZJ in connection with services rendered to the Committee during the Final Application Period.

**SUMMARY OF SERVICES RENDERED DURING
THE FINAL APPLICATION PERIOD BY PROJECT**

20. Attorneys and paraprofessionals of PSZJ expended a total of 2,069.40 hours in connection with their representation of the Committee during the Final Application Period. The

services rendered by PSZJ during the Final Application Period can be grouped into the categories set forth below. PSZJ attempted to place the services provided in the category that best relates to such services. However, because certain services may relate to one or more categories, services pertaining to one category may in fact be included in another category. These services performed, by categories, are generally described below, with a more detailed identification of the actual services provided set forth on the attached **Exhibits D and E**.

A. Asset Analysis and Recovery

21. Time billed to this category includes work related to the review and analysis of the Debtors' assets. During the Application Period, the Firm, among other things: (i) conducted a review and analysis of litigation issues; (ii) conducted an extensive investigation with respect to potential litigation claims; (iii) prepared a memo with respect thereto and conferred and corresponded with professionals regarding the same; and (iv) reviewed and analyzed preference analyses.

Fees: \$115,995.50

Hours: 99.70

B. Asset Disposition

22. Time billed to this category includes time spent reviewing and analyzing the Debtors' bid procedures and asset sale motions and representing the interests of the Committee in connection with the sale of substantially all of the Debtors' assets. During the Final Application Period, the Firm, among other things: (i) reviewed and analyzed sale documents; (ii) reviewed and analyzed sale decks prepared by A&M; (iii) reviewed and analyzed the bid procedures motion, proposed bidding procedures, and omnibus reply; (iv) revised the proposed bidding procedures and proposed order and conferred and corresponded with various parties regarding issues with respect to the same; (v) reviewed and analyzed stalking horse bids, the Stalking Horse Agreement and conferred and corresponded the same; (vi) reviewed and analyzed the GOB motion and

conferred and corresponded with various parties regarding issues with respect to the same; (vii) reviewed and analyzed the consulting agreement motion and conferred and corresponded with various parties regarding issues with respect to the same; (viii) addressed landlord issues in connection with the sale and conferred and corresponded regarding the same; (ix) reviewed objections to sale; (x) reviewed the Asset Purchase Agreement and amendments thereto, and provided comments to the same; (xi) provided comments to the sale order; (xii) prepared for and attended the sale hearing; (xiii) reviewed and analyzed the lease sale procedures motion and conferred and corresponded with landlords regarding the same; (xiv) analyzed and addressed issues with respect to rejection of leases and cure objections; (xv) reviewed and analyzed the NOL motion to review and restrict stock transfers and conferred and corresponded with various parties regarding issues with respect to the same; (xvi) reviewed and analyzed assumption/assignment procedures motion, subsequent notices of assumption/assignment, and objections thereto; (xvii) reviewed and analyzed the lease termination motion and conferred and corresponded with various parties regarding issues with respect to the same; (xviii) reviewed and analyzed the proposed sale order and conferred and corresponded with parties regarding the same; (xix) reviewed and analyzed the de-minimis claims settlement procedures motion, revised same, and conferred and corresponded regarding issues with respect to the same; (xx) attended the sale auctions, Phase 1 and 2 lease auctions, and conferred and corresponded with parties regarding issues with respect to the same; and (xxi) reviewed and analyzed documents with respect to Brookfield/Michaels issues and conferred and corresponded with parties regarding the same; (xxii) reviewed and analyzed JV settlement documents and conferred and corresponded with parties regarding the same; (xxiii) reviewed and analyzed Hobby Lobby revised bid, conducted research regarding same, and conferred and corresponded with parties regarding the same; and (xxiv) conferred and

corresponded with parties regarding Pinnacle Hills auction and attended same.

Fees: \$221,504.50 Hours: 160.90

C. Bankruptcy Litigation

23. Time billed in this category relates to the services performed by the Firm in connection with litigating bankruptcy matters. During the Final Application Period, the Firm, among other things: (i) conducted an extensive investigation regarding potential litigation issues and engaged in discovery with respect thereto; (ii) prepared informal document requests, discovery requests, and subpoenas, and conferred and corresponded with various parties regarding numerous issues with respect to the same; (iii) reviewed and analyzed data room documents and documents produced pursuant to discovery requests and subpoenas, and conferred and corresponded with various parties regarding issues with respect to the same; (iv) analyzed prepetition litigation; (v) conducted legal research in connection with various litigation issues and conferred and corresponded with parties regarding the same; (vi) drafted a common interest agreement and conferred and corresponded with parties regarding the same; (vii) prepared a memo regarding a prepetition settlement agreement; (viii) reviewed and analyzed a motion to advance defense costs and conferred and corresponded with parties regarding the same; and (ix) reviewed and analyzed documents with respect to potential D&O litigation, conducted research in connection with the same, and conferred and corresponded with parties regarding the same.

Fees: \$287,071.50 Hours: 248.50

D. Case Administration

24. This category relates to work regarding administration of these cases. During the Final Application Period, the Firm, among other things: (i) reviewed and analyzed case pleadings and background documents and forwarded them to the appropriate parties; (ii) prepared contact and distribution lists; (iii) maintained a memorandum of critical dates; (iv) maintained and

updated task lists; (v) conferred and corresponded regarding case status, pending motions, and case administration issues; (vi) prepared for and participated on WIP calls; and (viii) .

Fees: \$95,298.50 Hours: 105.10

E. Claims Administration/Objection

25. Time billed to this category relates to work regarding claims administration and claims objections. During the Final Application Period, the Firm, among other things: (i) reviewed and analyzed the bar date motion and provide comments to the bar date order; (ii) reviewed and analyzed WARN claims and conferred and corresponded with parties regarding numerous issues with respect to the same; (iii) reviewed and analyzed a WARN exposure analysis and conferred and corresponded with parties regarding the same; (iv) reviewed 9019 motions and motions to compel and conferred and corresponded with parties regarding the same; (v) conferred and corresponded with parties regarding ERISA claims; and (vi) reviewed and analyzed claim objections, Section 505 motions, and administrative expense motions and conferred and corresponded with parties regarding the same.

Fees: \$66,945.00 Hours: 47.20

F. Compensation of Professionals/Others

26. During the Final Application Period, the Firm reviewed professional monthly statements and conferred and corresponded regarding the same.

Fees: \$10,188.50 Hours: 9.10

G. Financial Filings

27. During the Final Application Period, the Firm: (i) reviewed, analyzed, and prepared a summary analyzing the Debtors' schedules of assets and liabilities and statements of financial affairs; (ii) reviewed A&M summary; and (iii) conferred and corresponded with parties regarding Schedules and SoFAs.

Fees: \$18,7080

Hours: 21.20

H. Financing/Cash Collateral/Cash Management

28. Time billed to this category relates to the Debtors' proposed debtor-in possession financing ("DIP"). During the Final Application Period, the Firm, among other things: (i) reviewed and analyzed the DIP motion and all DIP financing related documents; (ii) drafted an outline of DIP issues and conferred and with lenders' counsel and estate professionals regarding various issues with respect to the DIP motion and loan documents; (iii) corresponded and conferred with counsel and estate professionals regarding DIP issues; (iv) reviewed interim and final DIP orders and provided comments thereto; (v) conferred and corresponded regarding DIP settlement, term sheet, insurance issues, FILO recovery, revisions to DIP order, and conferred and corresponded with parties regarding the same; (vi) conducted research in connection with DIP settlement and prepared a summary regarding the same; (vii) reviewed and analyzed ad hoc group documents and conferred and corresponded regarding the same; (viii) reviewed and analyzed Glenn Agre NDA with Debtors and conferred and corresponded with parties regarding the same; (ix) analyzed issues with respect to potential challenge issues and conferred and corresponded with numerous parties regarding the same; (x) conducted lien review and analysis of documents, drafted a perfection memo, and conferred and corresponded with parties regarding the same;; (xi) reviewed budgets; (xii) prepared a DIP objection; (xiii) corresponded regarding financing/perfection issues; (xiv) conducted an extensive lien investigation and prepared a summary regarding the same; (xv) conducted research with respect to various issues; (xvi) reviewed DIP objections; (xvi) prepared for and attended DIP hearings; (xviii) propounded discovery on the Debtors and DIP Lenders regarding DIP financing and reviewed, organized and analyzed documents produced by the Debtors and Lender; (xix) drafted notices and prepared for depositions in connection with DIP financing; (xx) engaged in extensive settlement discussions,

ultimately resulting in a resolution regarding final order; and (xxi) reviewed and analyzed ad hoc group's motion for reconsideration and related pleadings, conferred and corresponded with numerous parties regarding the same, and prepared for and attended hearing with respect to the same, and follow up conferences and correspondence regarding the same.

Fees: \$883,397.50 Hours: 646.10

I. First Day

29. Time billed to this category relates to the various motions and applications filed on the Petition Date and heard at the "first day" hearing. During the Final Application Period, the Firm, reviewed and analyzed the Debtors' first day motions, provided comments to various first day orders, prepared a memo to the Committee regarding the same, and conferred with counsel regarding the same.

Fees: \$48,245.00 Hours: 42.30

J. General Creditors Committee

30. Time billed to this category relates primarily to communications with the Committee regarding the various filings and strategies of the case. During the Final Application Period, the Firm, among other things: (i) prepared memos to Committee regarding pending matters with the Committee; (ii) prepared agendas and conducted regular status calls with the Committee regarding case issues and strategy; (iii) prepared a memo regarding first day pleadings; (iv) reviewed financial advisor reports to the Committee; (v) prepared and revised Committee bylaws; and (vi) responded to creditor inquiries.

Fees: \$150,568.00 Hours: 132.20

K. Hearings

31. Time billed to this category includes work related to the various hearings held During the Final Application Period. During the Final Application Period, the Firm prepared for

and attended various hearings held in the case and conferred and corresponded with parties regarding the same.

Fees: \$98,705.00 Hours: 75.60

L. Insurance Issues/ Insurance Coverage

32. Time billed to this category relates to insurance coverage issues. During the Final Application Period, the Firm: (i) reviewed and analyzed the insurance motion, interim order, and proposed final order; (ii) reviewed and analyzed insurance policies and conferred and corresponded with parties regarding the same; (iii) D&O liability and insurance coverage issues; (iv) and conferred and corresponded with parties regarding D&O claims.

Fees: \$42,998.50 Hours: 30.10

M. Operations

33. This category relates to work regarding business operations issues. During the Final Application Period, the Firm: (i) reviewed and analyzed Agency Agreements and conferred and corresponded with parties regarding the same; (ii) reviewed and analyzed various operational motions and orders, including, but not limited to, critical vendor, utilities, cash management, and customer programs motions, conferred and corresponded regarding the same, and provided comments to the same; (iii) conferred and corresponded regarding operational issues, including leases, GOB sales, NOL issues, critical vendor issues, lien claimant issues, shipping issues, and de-minimis asset disposition/settlement issues; and (iv) reviewed monthly operating reports.

Fees: \$126,074.50 Hours: 95.00

N. PSZ&J Compensation

34. Time billed to this category relates to preparation of the Firm's monthly fee statements.

Fees: \$19,984.50 Hours: 27.90

O. PSZ&J Retention

35. Time billed to this category relates to the preparation of the Firm's retention application and attention to various issues with respect to the same.

Fees: \$7,872.50

Hours: 9.10

P. Plan & Disclosure Statement

36. Time billed to this category relates to research and correspondence regarding a combined Plan/Disclosure Statement. During the Final Application Period, the Firm, among other things: (i) reviewed, analyzed, and revised the Debtors' plan and numerous revisions thereto, FILO version of plan, revised the plan term sheet, and conferred and corresponded extensively with parties regarding the same; (ii) reviewed and analyzed the Disclosure Statement Motion and related documents and conferred and corresponded with parties regarding issues with respect to the same; (iii) reviewed a plan recovery summary; (iv) prepared an objection to Disclosure Statement and conferred and corresponded with parties regarding the same; (v) conducted legal research in connection with Plan issues and the Disclosure Statement Objection; (vi) addressed wind down budget issues; (vii) provided comments to the draft Plan language; (viii) reviewed and analyzed confirmation objections; (ix) reviewed and analyzed the revised plan, plan supplement, related documents, and conferred and corresponded with professionals and other parties regarding the same; (x) reviewed objections to Disclosure Statement and Plan; (xi) prepared for and attended hearings with respect to the Disclosure Statement and Plan; (xii) extensive discussions regarding Plan Administrator candidates and Oversight Committee candidates, conducted interviews of same; (xiii) conferred and corresponded with professionals regarding various post-confirmation and Effective Date issues.

Fees: \$318,077.50

Hours: 204.60

Q. Retention of Professionals/Other

37. Time billed to this category relates to the retention of estate professionals other than the Firm. During the Final Application Period, the Firm, among other things: (i) reviewed the Debtors' retention applications and related documents; (ii) reviewed retention applications filed by various estate professionals and conferred and corresponded regarding the same; (iii) addressed issues with respect to A&M retention; and (iv) reviewed and analyzed financial advisor qualifications.

Fees: \$43,828.50 Hours: 35.50

R. Travel

38. During the Final Application Period, the Firm incurred non-working time while traveling on case matters. Such time is billed at one-half the normal rate.

Fees: \$36,655.00 Hours: 56.00

39. The nature of work performed by PSZJ is fully set forth in the Monthly Fee Statements. These are PSZJ's normal hourly rates for work of this character. The reasonable value of the services rendered by PSZJ for the Committee during the Final Application Period is \$2,623,974.00.

40. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, it is respectfully submitted that the amount requested by PSZJ is fair and reasonable given (a) the complexity of the cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under the Bankruptcy Code. Moreover, PSZJ has reviewed the requirements of the Local Rules and the Administrative Order, and believes that this Application complies with such rule and order.

Actual and Necessary Expenses Incurred by PSZJ

41. As summarized in **Exhibit F** attached hereto, PSZJ has incurred a total of \$20,313.79 in expenses on behalf of the Committee during the Final Application Period for which it seeks reimbursement.

42. PSZJ customarily charges \$0.10 per page for photocopying expenses and \$0.10 per page for scanning and printing charges. PSZJ's photocopying machines automatically record the number of copies made when the person that is doing the copying enters the client's account number into a device attached to the photocopier. PSZJ summarizes each client's photocopying charges on a daily basis.

43. PSZJ charges \$1.00 per page for out-going facsimile transmissions. There is no additional charge for long distance telephone calls on faxes. The charge for outgoing facsimile transmissions reflects PSZJ's calculation of the actual costs incurred by PSZJ for the machines, supplies and extra labor expenses associated with sending telecopies and is reasonable in relation to the amount charged by outside vendors who provide similar services. PSZJ does not charge the Committee for the receipt of faxes in these Cases.

44. With respect to providers of on-line legal research services (*e.g.*, LEXIS and Westlaw), PSZJ charges the standard usage rates these providers charge for computerized legal research. PSZJ bills its clients the actual amounts charged by such services, with no premium. Any volume discount received by PSZJ is passed on to the client.

45. PSZJ believes the foregoing rates are the market rates that the majority of law firms charge clients for such services. In addition, PSZJ believes that such charges are in accordance with the American Bar Association's ("ABA") guidelines, as set forth in the ABA's Statement of Principles, dated January 12, 1995, regarding billing for disbursements and other charges.

**PSZJ'S REQUESTED COMPENSATION
AND REIMBURSEMENT SHOULD BE ALLOWED**

46. Section 330(a)(1) of the Bankruptcy Code provides that a court may award a professional employed in a case under section 1103 of the Bankruptcy Code “reasonable compensation for actual, necessary services rendered . . . and reimbursement for actual, necessary expenses.” Section 330(a)(3), in pertinent part, provides further guidelines for awarding such fees and expenses:

In determining the amount of reasonable compensation to be awarded..., the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including—

- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and
- (E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a)(3). Additional factors courts consider when awarding fees include the time and labor required, the novelty and difficulty of questions, the skill requisite to perform the legal services properly, the preclusion of other employment by the applicant due to acceptance of the current case, the customary fee, whether the fee is fixed or contingent, time limitations imposed by the client or other circumstances, the amount involved and results obtained, the experience, reputation and ability of the attorneys, the “undesirability” of the case, and the nature and length of the professional relationship. *See, e.g., In re First Colonial Corp. of America, 544 F.2d 1291, 1298–99 (5th Cir. 1977); In re Nine Assocs., Inc., 76 B.R. 943, 945 (S.D.N.Y. 1987).*

COMPLIANCE WITH UST GUIDELINES

47. PSZJ submits that this Application substantially complies with the Local Rules, the Administrative Order and the Appendix B Guidelines for fee applications in cases such as these. To the extent there has not been material compliance with any particular rule or guideline, PSZJ respectfully requests a waiver or an opportunity to cure.

48. This is PSZJ's final fee application pursuant to sections 330 and 331 of the Bankruptcy Code for allowance of fees and reimbursement of expenses in these cases.

COMPENSATION PAID AND ITS SOURCE

49. All services for which PSZJ requests compensation were performed for or on behalf of the Committee. PSZJ has received no payment and no promises for payment from any source other than the Debtors for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Application. There is no agreement or understanding between PSZJ and any other person other than the partners of PSZJ for the sharing of compensation to be received for services rendered in these cases. PSZJ has not received a retainer in these cases.

RESERVATION OF RIGHTS

50. PSZJ estimates that it will incur additional fees and expenses for which entries have not been made to its accounting system and reserves the right to file a supplemental fee application to submit additional fees and expenses not previously included in the Application but incurred prior to the date of the hearing on the Application for fees in connection with case closing matters and preparation, filing, and prosecuting this Application.

NO PRIOR REQUEST

51. No prior application for the relief requested herein has been made to this or any other court.

WHEREFORE, PSZJ respectfully requests that this Court enter an order (i) allowing on a final basis: (a) compensation in the amount of \$2,623,974.00 for fees on account of reasonable and necessary professional services rendered to the Committee by PSZJ and reimbursement of actual and necessary costs and expenses in the amount of \$20,313.79 for the period from May 8, 2023 through September 29, 2023; (b) compensation in the estimated amount of \$15,000.00 for future billing in connection with the preparation, prosecution and review of final fee applications; (c) authorizing and directing the Debtors to pay to PSZJ the outstanding amount of such sums; and (d) granting any other relief that this Court deems necessary and appropriate.

Dated: November 13, 2023

/s/ Bradford J. Sandler

Bradford J. Sandler, Esq.
Paul J. Labov, Esq.
Colin R. Robinson, Esq.
PACHULSKI STANG ZIEHL & JONES LLP
780 Third Avenue, 34th Floor
New York, NY 10017
Telephone: (212) 561-7700
Facsimile: (212) 561-7777

*Counsel to the Official Committee of
Unsecured Creditors*